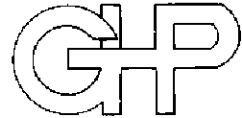


G. Herbert
PRITCHETT & Associates, Inc.
222 Union Street Madisonville, Ky. 42431 (270) 821-5765



November 17, 2010

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th & Constitution Ave NW
Washington, DC 20551

RE: Docket R-1394 RIN AD-7100-56
Customary and Reasonable Appraisal Fees

Dear Ms. Johnson:

I am writing to strongly support the use of the VA fee schedule in determining customary and reasonable appraisal fees in accordance with the new Dodd-Frank bill requirements.

From personal experience, I know that the Veteran's Administration, in arriving at their fee schedule, balances the needs of the VA and the veteran against the also important need of allowing the appraiser reasonable time and expenses needed to perform the requisite market research so as to arrive at a reasoned, supported, value estimate in submitted appraisals. It is the best source available from a **disinterested party** that gives a true picture of the fee that should be received in order to procure a credible, supported appraisal.

I have been in the appraisal business for over thirty years and am now serving as an appraisal board member with the Kentucky Real Estate Appraisers Board. As a board member I can tell you that we are beginning to field multiple complaints from appraisers that appraisal management companies attempting to pressure them to cover wider and wider geographical areas for lower and lower fees – some of those fees being demanded are less than 50% of the VA fee for the same area. It is my understanding that the language regarding customary and reasonable fees in the Dodd-Frank bill was to ensure that this ongoing industry practice by some appraisal management companies would not disseminate throughout the industry.

I have now been informed that TAVMA, the trade association which represents appraisal management companies, is working to try and convince the Federal Reserve not to recognize the VA fee schedule as a customary and reasonable fee source. Based upon my experience, the VA fee schedule, as it presently exists, is the best resource now available to regulators so as to set the floor for the customary and reasonable fee requirement as required by the Dodd- Frank bill.

I thank you in advance for the Board of Governors' thoughtful consideration of these comments and remain,

Sincerely,

A handwritten signature in black ink, appearing to read "G. Pritchett", is written over a horizontal line.

G. Herbert Pritchett, MAI, CCIM